THE SITUATION IN MOROCCO Indochina Crisis also Affects French in forocco: Moreccan nationalist -- extremi --expected exert continued or greater effort. 1. Trable throw French out: but can tie troops needed elsewhere. 2. Mationalists seeking, getting support Arab-Asian states. Other hand, French, losing in Indochina, more determined hold North Africa. munists expected take advantage. First Orbit broadcasts beamed North Africa heard 27 May (Budapest). 2 Extremist situation increases COUMENT NO.

COMANGE IN COMANGE I likelihood CP participation with Mationalists against French.

A. French concern shown 20 May change

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- (a) Personally favors more moderate policy.
- (b) "Nationalists" invited Paris talks 2 June.

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- B. Lacoste's task extremely difficult:
 - Priction, frustration, distrust,
 1950 hardened positions.
 - (a) Tough anti-nationalist policy

 French settlers unchanged.
 - (b) Nationalists probably not settle
 short public promise independence
 with timetables and immediate
 steps autonomy. Change sultans
 not enough.
 - 2. American consul Casablanca believes only way out for French is:

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with them; no others have support Moroccan masses.

- (b) Replace present sultan for one who could command widespread respect.
- (c) Warns, in view of settler opposition, improvement must come from Paris.

